

OFFICE OF THE COMPTROLLER CITY OF ST. LOUIS



Internal Audit Section

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January 5, 2005

Ms. Cecilia A. Nadal, President/CEO Productive Futures 5225 Delmar Blvd. St. Louis, MO 63108

> RE: Fiscal Monitoring Report of Productive Futures. (#2005-SLATE-11)

Dear Ms. Nadal:

Enclosed is a report of our fiscal monitoring review of Productive Futures (Contracts #113-05 and #213-05) for the period July 1, 2004 through October 31, 2004. The scope of a fiscal monitoring review is substantially less than an audit, and as such, we do not express an opinion on the financial operations of Productive Futures. Our fieldwork was substantially complete on December 27, 2004.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and an agreement with the St. Louis Agency on Training and Employment to provide fiscal monitoring to all grant subrecipients. If you have any questions, please contact me at 613-7257.

Sincerely,

Dwayne Crandall Dwayne Crandall, MHA, CIA, CPA

Internal Audit Supervisor

Honorable Darlene Green, Comptroller cc:

Tom Jones, Director, St. Louis Agency on Training and Employment (SLATE)

Kim Neske, Fiscal Manager, St. Louis Agency on Training and Employment (SLATE)

Enclosure



CITY OF ST. LOUIS

ST. LOUIS AGENCY ON TRAINING AND EMPLOYEMT (SLATE)

PRODUCTIVE FUTURES
CONTRACTS #113-05 AND #213-05

FISCAL MONITORING REVIEW

JULY 1, 2004 THROUGH OCTOBER 31, 2004

PROJECT #2005-SLATE11

DATE ISSUED: JANUARY 5, 2005

Prepared by: The Internal Audit Section



OFFICE OF THE COMPTROLLER

Honorable Darlene Green, Comptroller

CITY OF ST. LOUIS ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT PRODUCTIVE FUTURES CONTRACTS #113-05 AND #213-05 FISCAL MONITORING REVIEW JULY 1, 2004 THROUGH OCTOBER 31, 2004

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CITY OF ST. LOUIS ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT PRODUCTIVE FUTURES **CONTRACTS #113-05 AND #213-05** FISCAL MONITORING REVIEW JULY 1, 2004 THROUGH OCTOBER 31, 2004

<u>INTRODUCTION</u>

Background

Contract Name:

Productive Futures

Contracts Number: #113-05 and #213-05

Contracts Period:

July 1, 2004 through June 30, 2005

Contracts Amount: \$342,580.32 and \$136,185.40.

These contracts provide Workforce Investment Act funds through the St. Louis Agency on Training and Employment (SLATE) to Productive Futures for its Workforce Investment Act Adult and Youth programs. Productive Futures provides services to one hundred sixty five (165) adults in job seeking skills, job development/placement services, and follow-up. Clients are placed into employment. Jobs are regular, full time employment. Follow-up services are provided at 30 days, 90 days, 6 months and 12 months

The youth program provides services to forty-two (42) out-of-school youths. The services assist youths in achieving basic skills, work readiness or occupational skills. The services for youths assist them in accomplishing unsubsidized employment.

Purpose

The purpose of our review was to determine Productive Futures' compliance with federal, state and local SLATE requirements for the period July 1, 2004 through October 31, 2004, and make recommendations for improvements.

Scope and Methodology

We made inquiries regarding Productive Futures' internal controls relating to the grant administered by St. Louis Agency on Training and Employment (SLATE), tested evidence supporting the reports the agency submitted to SLATE and performed other procedures considered necessary. Our fieldwork was substantially complete on December 27, 2004.

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CITY OF ST. LOUIS ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT PRODUCTIVE FUTURES CONTRACTS #113-05 AND #213-05 FISCAL MONITORING REVIEW JULY 1, 2004 THROUGH OCTOBER 31, 2004

CONCLUSION AND SUMMARY OF OBSERVATIONS

Conclusion

We found no evidence to suggest that Productive Futures did not fully comply with federal, state and local SLATE requirements.

Status of Prior Observations

The Agency's most recent fiscal monitoring report dated June 2, 2004 identified no observations.

A-133 Status

We noted Productive Futures, Inc. is an "S" Corporation and, as such, would not be subject to OMB Circular A-133. Although Productive Futures' was not subject to OMB Circular A-133, it did have an A-133 Audit. The Agency's A-133 audit report for the year ended December 31, 2003 dated February 25, 2004 did not disclose any findings required to be reported in accordance with OMB Circular A-133. The A-133 Audit had no reportable conditions or instances of noncompliance for the year ended December 31, 2003.

Summary of Current Observations

We noted no observations during our review.